THE FOLLOWING ORDER
IS APPROVED AND ENTERED
AS THE ORDER OF THIS COURT:

DATED: November 10, 2016

Beth E. Hanan
United States Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF WISCONSIN
Court Minutes and Order

CHAPTER:	13
DATE:	November 8, 2016
JUDGE:	Beth E. Hanan
CASE NO.:	16-22089
DEBTOR:	Christopher A. Nelson
NATURE OF HEARING:	(1) Trustee's affidavit of default; (2) Counsel's application for compensation
APPEARANCES:	David Kingstad, appearing for the debtor Mary Grossman, chapter 13 trustee
COURTROOM DEPUTY:	Paul Walter
LAW CLERK:	Nicholas G. Chmurski

The trustee filed an affidavit of default on October 12, 2016, averring that the debtor had failed to make payments required by a court order. On October 18, debtor's counsel filed an application for compensation in the amount of $6,654.43. Counsel also filed a response to the trustee's affidavit of default. The response did not contradict the circumstances averred in the trustee's affidavit of default, but requested that the court not dismiss the case until it reviewed and ruled on counsel's fee application. The court set both matters for hearing on November 8.

Ms. Grossman confirmed that the debtor was in default under a court order, and that the case should be dismissed. Ms. Grossman explained that she did not have an objection to Mr. Kingstad's application for compensation.

The court inquired into counsel's application for compensation because it appeared as though compensation was being requested impermissibly for clerical work performed by paralegals. *See In re Brennan*, No. 12-73327, 2013 WL 4046447, at *7–9 (Bankr. C.D. Ill. Aug. 8, 2013). The court went through its specific concerns and afforded Mr. Kingstad the opportunity to supplement the application with support that the tasks performed were for legal services that were reasonable, necessary, and to the benefit of the debtor, or alternatively, to reduce the request for fees.

Ms. Grossman requested that the court dismiss the case although it was adjourning its consideration of Mr. Kingstad's fee application. Ms. Grossman cited the Seventh Circuit's decision in *In re Sweports, Ltd.*, 777 F.3d 364 (7th Cir. 2015) for support of the court's authority to decide a fee application after dismissal. Ms. Grossman also stated that the court could, upon dismissal, also order her to hold the funds she has on hand, pending the resolution of Mr. Kingstad's fee application.

The court adjourned the matter to **November 22, 2016, at 9:00 a.m. via telephone**. It stated that it would review the case law cited by Ms. Grossman, and if appropriate, promptly dismiss the case and decide the fee application on November 22. To appear by telephone, you must call the Court conference line at 1-888-808-6929, and enter access code 9122579 before the scheduled hearing time.

After review of the pertinent case law, the court has decided that prompt dismissal of the debtor's case is warranted. *Sweports*, 777 F.3d at 367–68 (explaining that the court has clean-up jurisdiction to decide fee applications after dismissal and that creditors should not be prejudiced by delaying dismissal). The court also finds cause under 11 U.S.C. section 349(b)(3) to instruct the trustee to hold the funds she has on hand pending the resolution of Mr. Kingstad's fee application. *See In re Ward*, 511 B.R. 909, 913 (Bankr. E.D. Wis. 2014) (noting that a pending fee application may constitute cause under section 349(b) to order that the funds held by the trustee do not revest in the debtor upon dismissal).

Accordingly,

IT IS ORDERED that the trustee holds the funds she has on hand pending the resolution of Mr. Kingstad's fee application.

IT IS FURTHER ORDERED that the trustee's affidavit of default is **SUSTAINED** and the debtor's case is **DISMISSED**.

It is so ordered.

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